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Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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Fifth District

May 17, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
MARTIN LUTHER KING, JR. FITNESS GARDEN PROJECT
APPROVE CAPITAL PROJECT NO. 77442 AND PROJECT BUDGET
AUTHORIZE THE CHANGE ORDER TO THE CONTRACT FOR
THE SOUTH HEALTH CENTER REPLACEMENT PROJECT
ADOPT YOUTH EMPLOYMENT PLAN
(SECOND DISTRICT) (4 VOTES)**

SUBJECT

Approval of the recommended actions will authorize implementation of the Martin Luther King, Jr. Fitness Garden Project by authorizing the Department of Public Works to issue a change order to McCarthy Building Companies, Inc.'s design-build contract for the South Health Center Replacement Project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Establish Capital Project No. 77442 and approve the total Project budget of \$765,000 for the Martin Luther King, Jr. Fitness Garden Project.
2. Approve and authorize the Department of Public Works to execute a change order to McCarthy Building Companies, Inc.'s design-build contract for the South Health Center Replacement Project in the amount of \$625,000, to enable the contractor to complete design and construct the Martin Luther King, Jr. Fitness Garden Project.
3. Adopt the Youth Employment Plan.

"To Enrich Lives Through Effective And Caring Service"

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will establish the Martin Luther King, Jr., Fitness Garden Project (Fitness Garden Project) and authorize the Director of Public Works to execute a change order to McCarthy Building Companies, Inc.'s (McCarthy) design-build contract for the South Health Center Replacement Project to enable McCarthy to complete the design and construction of the Fitness Garden Project.

The proposed Fitness Garden Project will be constructed on property that is approximately 11,417 square feet (0.26 acres) adjacent to the new 33,000 square feet South Health Center that is currently nearing construction completion. The Fitness Garden Project is located within the Willowbrook Community and across the street from the Martin Luther King, Jr. Multi-Services Ambulatory Care Center campus.

The Fitness Garden Project site is currently owned by the County and the Consolidated Fire District of the County of Los Angeles (Fire District). The Fire District will be deeding the portion of Bandera Avenue owned by the Fire District and the additional approximately 3.4 foot-wide strip of land, located between the easterly property line of Fire Station 41 and the existing block wall foundation, to the County for development of the Project.

The Fitness Garden Project consists of land acquisition, vacation of the Bandera Avenue, and the design/construction of a green way that features a walking/jogging path that is Americans with Disabilities Act (ADA) compliant, installation of a smart irrigation system, exercise equipment, benches, drinking fountains, bicycle racks, and drought tolerant landscaping.

On May 11, 2010, your Board awarded McCarthy a design-build contract in an amount not-to-exceed \$14,021,000 for the South Health Center Replacement Project. Contract substantial completion for the Project is scheduled for June 15, 2011. It was originally proposed that delivery of the Fitness Garden Project would be managed by the Department of Parks and Recreation (Parks and Recreation). In McCarthy's original contracted scope, they were required to grade the Fitness Garden area, provide water and electrical points of connection, and mulch the graded area in preparation for completion of the Fitness Garden. The recommended change order is for McCarthy to also complete the final design and construction of the Fitness Garden Project. Since the proposed Fitness Garden Project site is located adjacent to the new South Health Center building, will share some common utilities infrastructure, is an extension of certain of the grading and site preparation work already performed by McCarthy, and should be consistent with the proposed landscaping for the South Health Center, we are recommending that your Board approve a change order to McCarthy's design-build

contract for the South Health Center Replacement Project to accomplish the completion of design and construction of the Fitness Garden Project.

Sustainable Design program

The Fitness Garden Project will support the intent of your Board's Green Building/Sustainable Design policy by incorporating a smart irrigation system, bioswales and native plant landscaping, including drought-tolerant shade trees and shrubs. The drought tolerant plant selection and the smart irrigation system will minimize water usage, and the bioswales will help reduce stormwater runoff.

IMPLEMENTATION OF STRATEGIC GOALS

The recommended actions meet the Board approved County Strategic Plan Goals of Operational Effectiveness (Goal 1), and Community and Municipal Services (Goal 3), by enhancing health and recreational opportunities to benefit County residents in the Second Supervisorial District.

FISCAL IMPACT/FINANCING

The total Fitness Garden Project cost is estimated at \$765,000, including \$25,000 for land acquisition and vacation, \$625,000 for design and construction, \$60,800 for change order contingency, \$7,000 for civic art, \$5,000 for plan check/permit fees, and \$42,200 for the County services. The Project Schedule and Budget Summary are included in Attachment A.

Sufficient appropriation is available in the Fiscal Year (FY) 2010-11 Capital Projects/Refurbishment Budget, under Capital Project No. 77442 to fund the development, design, and construction of the Project. The Project is fully funded with Proposition A.

Operating Budget Impact

Based on the Fitness Garden Project description, Parks and Recreation anticipates ongoing costs of approximately \$19,000 for maintenance of park landscaping, grounds, and supplies. Parks and Recreation will work with the Chief Executive Office to confirm the appropriate level of funding and submit a New Facilities request in Final Changes of its FY 2011-12 Budget Request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 20137 of the Public Contract Code allows your Board, with a four-fifth vote, to authorize a change order to a construction contract that is less than 10 percent of the

original contract amount without having to obtain bids for the work. The recommended change order in the amount of \$625,000 represents 4.5 percent of the original contract amount.

The 1992 and 1996 Propositions set forth various deadlines for agencies to encumber funds allocated to them in the two propositions and further set forth procedures for agencies to request reallocation of those funds. Beginning with FY 1996-97, any Per Parcel Discretionary Funds not committed to expenditure are available for award by your Board for one or more of the classes of expenditures specified in Section (8) of the 1992 Proposition and beginning with FY 2001-02, any Per Parcel Discretionary Funds not committed to expenditure are available for award by your Board for one or more of the classes of expenditures specified in Section (3) of the 1996 Proposition for projects that your Board deems to be of the highest priority.

The 1992 Proposition provided funding for projects that were specified in the measure and identified a procedure for revision of those projects prior to July 1, 1998. That procedure remains the method by which specified project funds may be approved by your Board for other uses. An agency may submit a revised plan of expenditure to use the funds for a project that is consistent with the purposes of the 1992 Proposition and an alternative plan for expenditure must be submitted and approved to commit the funds allocated to specified projects between June 30, 2003, and June 30, 2004, consistent with the purposes of the 1996 Proposition. As of July 1, 2004, uncommitted Specified Project funds are subject to allocation to other projects by your Board.

On June 26, 1997, your Board, acting as the governing body of the District, adopted a Youth Employment Policy (Policy) for projects funded by Proposition A. The District's Policy requires that the governing body of the grantee adopts a Youth Employment Plan for each Proposition A funded project at a duly noticed public meeting. The Parks and Recreation's Youth Employment Plan is included as Attachment B.

Pursuant to your Board's Civic Art Policy, adopted December 7, 2004, and subsequently revised on November 5, 2008, the Project budget includes 1 percent of design and construction costs to be allocated to the Civic Art Fund.

ENVIRONMENTAL DOCUMENTATION

On January 18, 2011, your Board found the proposed Project to be categorically exempt under the California Environmental Quality Act (CEQA).

CONTRACTING PROCESS

On May 11, 2010, your Board awarded a design-build agreement to McCarthy for the South Health Center Replacement Project. Under the County Code, the Director of Public Works has delegated authority to execute individual change orders in specified amounts up to a maximum per-change order amount of \$150,000 with an aggregate change order amount of 25 percent of the original contract amount or \$3,505,250. Since execution of the contract, seven change orders (each individually under \$150,000) have been executed under delegated authority in the aggregate amount of \$264,592 or 1.9 percent of the original contract amount. The proposed Change Order Number 8 exceeds the maximum \$150,000 individual change order limit that the Director of Public Works may approve under delegated authority.

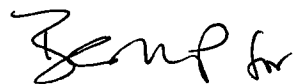
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these recommendations will have no impact on current services or projects because there are no current services at this Project site.

CONCLUSION

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division; Department of Parks and Recreation; and Department of Public Works, Project Management Division I.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
SW:CV:zu

c: Executive Office, Board of Supervisors
Arts Commission
County Counsel
Parks and Recreation
Public Works

May 17, 2011

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS:
MARTIN LUTHER KING, JR. FITNESS GARDEN PROJECT
APPROVE CAPITAL PROJECT NO. 77442 AND PROJECT BUDGET
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I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Design	05/25/11
Jurisdictional Approvals	06/22/11
Start Construction	06/23/11
Substantial Completion	08/05/11
Project Acceptance	08/10/11

II. PROJECT BUDGET SUMMARY

Project Activity	Proposed Budget
Land Acquisition/Vacation	\$25,000
Construction	
Design-Build Change Order	\$625,000
JOC Contract	0
Change Orders/Contingency	60,800
Construction Consultants	0
Misc. Expense	0
Civic Arts	<u>7,000</u>
Subtotal	\$692,800
Programming/Development	\$0
Plans and Specifications*	\$0
Consultant Services	
Site Planning	\$0
Hazardous Materials	0
Geotech/Soils Report and Soils Testing	0
Material Testing	0
Construction Management	0
Construction Administration	0
Environmental	0
Subtotal	\$0
Miscellaneous Expenditures	\$0
Jurisdictional Review/Plan Check/Permit	\$5,000
County Services	
Code Compliance Inspection	\$4,800
Quality Control Inspection	4,800
Design Review	0
Design Services	0
Contract Administration	0
Project Management	0
Other	28,800
DPW Job Order Contract Management	0
Office of Affirmative Action	<u>3,800</u>
Subtotal	\$42,200
TOTAL	\$765,000

May 17, 2011

ATTACHMENT B

DEPARTMENT OF PUBLIC WORKS: MARTIN LUTHER KING, JR. FITNESS GARDEN PROJECT APPROVE CAPITAL PROJECT NO. 77442 AND PROJECT BUDGET AUTHORIZE THE CHANGE ORDER TO THE CONTRACT FOR THE SOUTH HEALTH CENTER REPLACEMENT PROJECT ADOPT YOUTH EMPLOYMENT PLAN

BACKGROUND (Scope of Work)

The Project consists of land acquisition, vacation of the Bandera Avenue, and the design/construction of a green way that features a walking/jogging path that is Americans with Disabilities Act (ADA) compliant, installation of a smart irrigation system, exercise equipment, benches, drinking fountains, bicycle racks, and drought tolerant landscaping.

Tasks that may be performed by At-Risk Youth

The Department of Parks and Recreation (Parks and Recreation) will utilize youth for general maintenance and servicing, including, grounds maintenance, and programming after the completion of the Project.

Estimated Cost of Youth Employment

Parks and Recreation has a youth employment budget and employs youth whenever feasible. The cost of using youth is flexible and dependent upon the services needed.

Method of Youth Employment

Parks and Recreation employs youth to work in various areas of the department through its Youth Enhancing Parks Program (YEPP). This program allows Parks and Recreation to recruit youth to work on projects based on their training, experience, and physical class. In addition, Parks and Recreation requires contractors to make a good faith effort to employ at-risk youth from the community where the project is being implemented.

Youth Employment Goal:

The Youth Employment Goal (YEG) for the County of Los Angeles was \$15,739,507.43. As of March 2011, the YEG amount for the County exceeds \$18.8 million.